

VZCZCXRO6396

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DE RUEHBS #0471/01 0911225
ZNR UUUUU ZZH
R 011225Z APR 09
FM USEU BRUSSELS
TO RUEHC/SECSTATE WASHDC
RUEHC/DOL WASHDC
RUEATRS/DEPT OF TREASURY WASHDC
INFO RUEHZL/EUROPEAN POLITICAL COLLECTIVE

UNCLAS SECTION 01 OF 02 BRUSSELS 000471

SIPDIS

DOL FOR BLS AND ILAB
TREASURY FOR IMI
STATE FOR DRL/IL

E.O. 12958: N/A

TAGS: [ELAB](#) [EUN](#)

SUBJECT: EU UNEMPLOYMENT UP TO 7.9 PERCENT; EURO ZONE RATE UP TO
8.5 PERCENT

¶1. SUMMARY. The latest EU unemployment data as released by the EU Commission's Statistical Office (EUROSTAT) on April 1 confirmed the sharp deterioration of the EU labor market situation. The aggregate unemployment rate for the EU-27 reached 7.9 percent in February 2009 (up from 7.7 percent in January). Unemployment in the euro zone (the 16 EU countries currently participating in the euro) increased to 8.5 in January 2009, also up by 0.2 percentage point over the previous month. END SUMMARY.

¶2. With seasonal adjustment and compensation for differences in national statistical methods, the unemployment rate for the EU-27 stood at 7.9 percent in February 2009, up from 7.7 percent in January 2009 (revised upward from initial 7.6 estimate) and from 6.8 percent in February 2008. The unemployment rate for the euro zone stood at 8.5 percent in February 2009, up from 8.3 percent in January 2009 (also revised upward from initial figure) and from 7.2 percent in February 2008 (comparison based on EU-16; euro zone membership effective in February 2009).

¶3. The lowest monthly rate among those compiled by EUROSTAT from the EU-27 for February 2009 was recorded in the Netherlands (2.7 percent), while the highest rates were recorded in Spain (15.5 percent), Latvia (14.4 percent) and Lithuania (13.7 percent).

¶4. EUROSTAT noted that seven countries among the EU-27 recorded a decrease in their unemployment rate over a year, nineteen an increase, while one recorded no change. The most significant decreases (February-to-February comparison) occurred in Bulgaria (from 6.2 percent to 5.5 percent) and Slovakia (from 10.2 percent to 9.8 percent), while huge increases occurred in Lithuania (from 4.4 percent to 13.7 percent), Latvia (from 6.1 percent to 14.4 percent) and Spain (from 9.3 percent to 15.5 percent).

¶5. Based on EUROSTAT estimates, male unemployment reached 7.8 percent in February 2009 for the EU-27 and 8.1 percent for the euro zone, up 1.6 percentage point for both areas when compared to February 2008. The female unemployment rate over the same period reached 8.0 percent for the EU-27 and 8.9 percent for the euro zone, up 0.6 percentage point and up 0.7 percentage point respectively over the twelve-month period.

¶6. Unemployment rates among young people under 25 for February 2009 ranged from 5.5 percent in the Netherlands and 9.4 percent in Denmark to 31.8 percent in Spain and 24.1 percent in Sweden. The February 2009 rate for this age group was estimated at 17.5 percent for the EU-27 and at 17.3 percent for the euro zone, compared to 14.7 percent and 14.5 percent respectively (plus plus 2.8 percentage point in both areas) for February 2008.

¶7. EUROSTAT estimated that 19.156 million were unemployed in the EU-27 in February 2009, of which 13.486 million in

the euro zone. In absolute numbers, the number of unemployed increased by 3,019,000 for the EU-27 and by 2,125,000 for the euro zone over the twelve-month period.

18. Following is the breakdown of unemployment rates in ascending order for the individual EU member states:

(Seasonally-adjusted)

(February 2009 rates unless otherwise indicated)

Netherlands	2.7
Cyprus	4.5
Austria	4.5
Slovenia	4.6
Denmark	4.8
Czech Republic	4.9
Bulgaria	5.5
Romania	5.8 (fourth quarter 2008)
Luxembourg	5.9
Malta	6.4
UK	6.4 (December 2008)
Finland	6.8
Italy	6.9 (fourth quarter 2008)
Belgium	7.1
Germany	7.4
Poland	7.4
Sweden	7.5
Greece	7.8 (fourth quarter 2008)
Portugal	8.3
France	8.6
Hungary	8.7
Slovakia	9.8

BRUSSELS 00000471 002 OF 002

Estonia	9.9
Ireland	10.0
Lithuania	13.7
Latvia	14.4
Spain	15.5

EU-27	7.9
Euro zone	8.5

19. The monthly rates and numbers of unemployed are estimated and based on data from the EU labor force survey. The estimated rates may differ from national unemployment rates due to differences in methods and definitions of unemployment. Unemployed people according to ILO criteria are those aged 15 and over who:

-- Are without work;

-- Are available to start work within the next two weeks; and

-- Have actively sought employment at some time during the previous four weeks.

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